

Fact Sheet:

DDD Residential Programs Rate Study

DDD Residential Services includes Supported Living and Group Homes.

November 2005

	Residents	Providers
Supported Living	3366	162
Group Homes	379	55

Background

In June 2003, a JLARC audit found that the process used by DDD for determining rates paid for DDD Residential services may produce rates inconsistent with client needs.

The plan to address this issue includes development of a more structured rate system for DDD adult residential services, including an assessment process to assure consistency of rates related to client needs.

DDD contracts with community vendors to offer residential supports in certified settings. These agencies are required to have a contract with DDD to offer these services. The services are offered in group homes and supported living settings.

Supported living services are instruction and supports offered by service providers to clients who live in or are establishing their own homes. Homes must be owned, rented, or leased by the clients or their legal representatives. Clients who receive supported living services are responsible for paying for their daily living expenses, such as rent, utilities, and food, using their personal financial resources. The level of support is based on each client's instruction and support needs. Support may range from one hour per month to twenty-four hours per day of staff support per client.

Group homes are facilities licensed by DSHS as a Boarding Home and contracted with DDD. Group Homes provide 24-hour facility-based instruction and support for individuals with developmental disabilities in the community.

The Rate Study

A DDD Residential Programs Stakeholder Advisory Group was formed in October 2003 to develop a plan for conducting the study. After approval of the plan, ADSA formed a Rate Study Advisory Group with DDD Residential Service providers and ADSA DDD and Rates personnel in January 2004. The group has created sub-groups to study the components of the DDD Residential rates. The rate component information that follows is for Supported Living programs only. The Advisory Group has not yet studied in detail the Group Home program rate structure. Group Home clients will have the same assessment process as Supported Living clients.

Rate Components for Supported Living programs

Instruction and Support Services (ISS)

On average, this component makes up approximately 82% of the total rate. An assessment using the Supports Intensity Scale (SIS) and components of the CARE tool has been developed and is currently being tested and refined.

The scoring algorithm will be developed early in calendar year 2006. The assessment score will generate the required level of service for the client (levels 1 through 7). Each level will have an associated number of service hours that would be required if the client lived alone and did not share resources with other clients.

A secondary process will apply an economies of scale factor. This factor is based on a calculation of the potential shared hours available when supporting multiple clients living together in a household or in close proximity. When it applies, this factor will reduce the assessment hours to the actual hours needed.

The assessment process for DDD Supported Living services rate setting is scheduled for implementation in July 2007.

Administrative & Indirect Client Supports

On average, these components make up approximately 16% of the total rate. A standardized rate schedule for the administrative rate component has been completed and became effective on September 1st, 2005 for new rates (new or inter-agency transfer clients).

The new administrative rate schedule is derived from a regression formula based on the direct service (ISS) portion of the rate. The Community Protection Program has an Administrative rate schedule that is 12% higher than non-Community Protection to compensate for the additional administrative functions required in the program.

The legislature provided funding in the 2005-2007 budget for a September 1, 2005 adjustment to administrative rates for Supported Living providers whose average administrative rates were furthest below the new administrative rate standard.

Transportation

On average for Supported Living, the transportation cost is about 2% of the total cost of providing services. The rate study determined that transportation costs are unique to individual clients and do not correlate to the level of direct services as do the administrative costs. A separate assessment tool was developed to calculate client-specific rates for transportation. Beginning September 1, 2005, the assessment is now used for new and inter-agency transfer clients in the Supported Living program. All clients will have the transportation assessment completed at the time of their full reassessment in FY07.

Revised by R. Sherman

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